

# DEPARTMENT OF LIVESTOCK



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## STATE OF MONTANA

(406) 444-2875 MILK CONTROL BUREAU

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STATE DOCUMENTS COLLECTION

### BEFORE THE BOARD OF MILK CONTROL OF THE STATE OF MONTANA

### AUG 04 2000 ANNOUNCEMENT OF CLASS I, II & III PRODUCER PRICES

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**PUBLISHED:** August 5, 1997  
**EFFECTIVE:** September 1, 1997  
12:01 a.m.

#### PRODUCER CLASS I PRICE IN MONTANA

REF: ARM 32.24.301(3)

#### EFFECTIVE SEPTEMBER 1, 1997:

The minimum price to pay milk producers, under ARM 32.24.301, is \$13.41 per hundred pounds of milk testing 3.5% butterfat, f.o.b. the milk distributor's plant.

When milk does not test 3.5% butterfat, compute the applicable price by applying a differential of twelve and one-half cents for each one-tenth of one percent butterfat above or below the midpoint of each producer payment. The value of one pound of butterfat utilized will be one dollar and twenty-five cents (\$1.25).

#### PRODUCER CLASS II PRICE IN MONTANA

REF: ARM 32.24.301(4)

#### CLASS II PRICE FOR MILK TESTING 3.5%

**\$12.14 /CWT**

Average spray process dry milk solids			
price per pound	=	\$1.08250	
Multiplied by 8.2	x	8.2	
		\$8.87650	\$8.87650
PLUS +			
Average Grade 'A' 92 score butter			
price per pound	=	\$1.04500	
Multiplied by 4.2	x	4.2	
		\$4.38900	+ \$4.38900
			\$13.26550
LESS 8.5% (	\$13.26550 X .085)		- \$1.12757
			<b>\$12.13793</b>

Rounded to the nearest whole cent = \$12.14 /hundredweight.

**CLASS II BUTTERFAT PRICE PER POUND****\$1.15 /LB**

Butterfat differential	(	\$1.04500 X .111 )	=	\$0.11600
Rounded to the nearest half cent			=	\$0.115

**CLASS II VALUE OF ONE POUND OF SKIM****0.084093264 /LB**

Butterfat value per pound	=	\$1.15
for milk at 3.5% test:		

Hundredweight price of milk testing 3.5%		=	\$12.14
LESS 3.5 pounds of butterfat at	\$1.15 per pound	-	\$4.025

Value of 96.5 pounds of skim		=	\$8.115
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Value of one pound of skim	(	8.115 / 96.5 pounds)	=	\$0.08409 /LB
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**PRODUCER CLASS III PRICE IN MONTANA**

REF: ARM 32.24.301(5)

**CLASS III BUTTERFAT PRICE PER POUND****\$0.94 /LB**

Avg. Grade 'A' 92 score butter price/LB	\$1.04500
LESS 10%	\$0.10450
	\$0.94050

Rounded to the nearest whole cent	=	\$0.94 per pound.
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**CLASS III PRICE PER CWT FOR SKIM MILK UTILIZED****7.36749 /CWT**

Avg. spray process dry milk solid price/LB	\$1.08250
Multiplied by 8.2	8.2
	\$8.87650
LESS 17%	\$1.50901
	\$7.36749

Rounded to the nearest whole cent	=	\$7.37 per hundredweight.
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**CLASS III PRICE PER CWT FOR MILK TESTING 3.5%****\$10.40 /CWT**

3.5 pounds of butterfat	x	\$0.94 per pound =	\$3.290
96.5 pounds of skim		\$0.07367 per pound =	\$7.109

**\$10.399 /CWT****BY ORDER OF THE MONTANA MILK CONTROL BUREAU**

Compiled by:

*Marlys M. Koontz*  
 Marlys M. Koontz, Program Specialist  
 Montana Milk Control Bureau

## BREAKDOWN BY TEST FOR CLASS I, II &amp; III SKIM PRICES

CLASS I SKIM PRICE BASED ON \$13.41 FOR 3.5% MILK 96.5 LBS = \$9.035		CLASS II SKIM PRICE BASED ON \$12.14 FOR 3.5% MILK 96.5 LBS = \$8.115		CLASS III SKIM PRICE BASED ON \$10.40 FOR 3.5% MILK 96.5 LBS = \$7.109	
TEST	PRICE/LB	TEST	PRICE/LB	TEST	PRICE/LB
2.50	\$0.09267	2.50	\$0.08323	2.50	\$0.07291
2.55	\$0.09271	2.55	\$0.08327	2.55	\$0.07295
2.60	\$0.09276	2.60	\$0.08332	2.60	\$0.07299
2.65	\$0.09281	2.65	\$0.08336	2.65	\$0.07303
2.70	\$0.09286	2.70	\$0.08340	2.70	\$0.07306
2.75	\$0.09290	2.75	\$0.08344	2.75	\$0.07310
2.80	\$0.09295	2.80	\$0.08349	2.80	\$0.07314
2.85	\$0.09300	2.85	\$0.08353	2.85	\$0.07318
2.90	\$0.09305	2.90	\$0.08357	2.90	\$0.07321
2.95	\$0.09310	2.95	\$0.08362	2.95	\$0.07325
3.00	\$0.09314	3.00	\$0.08366	3.00	\$0.07329
3.05	\$0.09319	3.05	\$0.08370	3.05	\$0.07333
3.10	\$0.09324	3.10	\$0.08375	3.10	\$0.07337
3.15	\$0.09329	3.15	\$0.08379	3.15	\$0.07340
3.20	\$0.09334	3.20	\$0.08383	3.20	\$0.07344
3.25	\$0.09339	3.25	\$0.08388	3.25	\$0.07348
3.30	\$0.09343	3.30	\$0.08392	3.30	\$0.07352
3.35	\$0.09348	3.35	\$0.08396	3.35	\$0.07356
3.40	\$0.09353	3.40	\$0.08401	3.40	\$0.07359
3.45	\$0.09358	3.45	\$0.08405	3.45	\$0.07363
3.50	\$0.09363	3.50	\$0.08409	3.50	\$0.07367
3.55	\$0.09368	3.55	\$0.08414	3.55	\$0.07371
3.60	\$0.09372	3.60	\$0.08418	3.60	\$0.07375
3.65	\$0.09377	3.65	\$0.08422	3.65	\$0.07378
3.70	\$0.09382	3.70	\$0.08427	3.70	\$0.07382
3.75	\$0.09387	3.75	\$0.08431	3.75	\$0.07386
3.80	\$0.09392	3.80	\$0.08436	3.80	\$0.07390
3.85	\$0.09397	3.85	\$0.08440	3.85	\$0.07394
3.90	\$0.09402	3.90	\$0.08444	3.90	\$0.07398
3.95	\$0.09407	3.95	\$0.08449	3.95	\$0.07402
4.00	\$0.09411	4.00	\$0.08453	4.00	\$0.07405
4.05	\$0.09416	4.05	\$0.08458	4.05	\$0.07409
4.10	\$0.09421	4.10	\$0.08462	4.10	\$0.07413
4.15	\$0.09426	4.15	\$0.08466	4.15	\$0.07417
4.20	\$0.09431	4.20	\$0.08471	4.20	\$0.07421
4.25	\$0.09436	4.25	\$0.08475	4.25	\$0.07425
4.30	\$0.09441	4.30	\$0.08480	4.30	\$0.07429
4.35	\$0.09446	4.35	\$0.08484	4.35	\$0.07432
4.40	\$0.09451	4.40	\$0.08488	4.40	\$0.07436
4.45	\$0.09456	4.45	\$0.08493	4.45	\$0.07440
4.50	\$0.09461	4.50	\$0.08497	4.50	\$0.07444

